



DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

Agency Information Collection Activities: Proposed Collection; Supplemental Nutrition Assistance Program (SNAP) Mobile Payment Pilots (MPPs)

AGENCY: Food and Nutrition Service (FNS), USDA.

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, this notice invites the general public and other public agencies to comment on the proposed information collection.

This is a request for a new collection to conduct demonstration pilot projects to test the redemption of SNAP benefits through mobile payment technologies and issue a request for volunteers (RFV) to solicit applications from SNAP State agencies (State agencies) for these pilots.

DATES: Written comments must be received on or before **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES:

- **Preferred Method:** Federal eRulemaking Portal. Go to <http://www.regulations.gov>, and follow the online instructions for submitting comments electronically.
- **Email:** RPMDHQ-WEB@USDA.GOV.
- **Mail:** Send comments to Shelly Pierce, Food and Nutrition Service, U.S. Department of Agriculture, 1320 Braddock Place, Alexandria, VA 22314.

All responses to this notice will be summarized and included in the request for Office of Management and Budget (OMB) approval. All comments will be a matter of public record.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies

of this information collection should be directed to Shelly Pierce, at 703-605-4400 or via email to RPMDHQ-WEB@USDA.GOV.

SUPPLEMENTARY INFORMATION: Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions that were used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on those who are to respond, including use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Title: SNAP Mobile Payment Pilots (MPPs) and Request for Volunteers (RFV).

Form Number: None.

OMB Number: 0584-NEW

Expiration Date: Not Yet Assigned.

Type of Request: New collection.

Abstract: Section 4006(e) of the Agricultural Act of 2018 (P.L. 115-334) authorizes the Food and Nutrition Service (FNS) to allow up to five Mobile Payment Pilots (MPPs) to allow the use of personal mobile devices, such as cellular phones, tablets and smart watches in place of SNAP Electronic Benefit Transfer (EBT) cards to conduct SNAP transactions. Respondents (SNAP State agencies (State agencies) and their SNAP business partners) will conduct pilots to test the use of mobile payment technologies for the redemption of SNAP benefits by SNAP households at participating retailers, in order to determine their feasibility and implications for program integrity. FNS will conduct these projects to evaluate whether allowing mobile payments is in the best interest of the Program, and to therefore, recommend allowing their use to the Secretary.

The information collected in the pilot evaluation (to be submitted for OMB approval under a separate information collection request) will help FNS determine the success of and best practices for the use of mobile payment technologies to redeem SNAP benefits. This information will inform Program design, standards, rulemaking, and guidance for approval of SNAP mobile payment technologies as well as Departmental decisions and recommendations to Congress with respect to requiring all State EBT systems to accept mobile payment technologies in the future.

To achieve these objectives, FNS requests OMB approval to: 1) issue a Request for Volunteers (RFV) to solicit applications from up to 53 SNAP State agencies to participate in these MPPs; and 2) select up to 5 State agencies that apply to implement a MPP in their State. This information collection request seeks OMB approval only for the RFV application process and implementation of MPP by State agencies. Under the Paperwork Reduction Act, FNS will seek a separate OMB approval to evaluate the results of completed MPPs under a separate 60-day Federal Register Notice and information collection request.

1. Assumptions

It is impossible for FNS to know in advance the design and structure of pilots that may be proposed or the specific activities each State and associated partners will undertake in their preparation of the RFV application or in conducting an MPP. Therefore, we have provided general estimates based on an assumed pilot model. Actual pilots may vary widely from this model and include a variety of potential stakeholders; this information collection does not intend to establish a standard model; this model will be used throughout this notice simply for ease of estimation. If there is substantive changes to this data collection request, the agency will seek OMB approval to revise this information collection request following the Paperwork Reduction Act process. The estimates below are based on a model in which one State agency partners with an average of four (4) stakeholder businesses (2 retailers, 1 EBT processor, and 1 mobile

payment vendor) and recruits 1,000 SNAP participants per pilot proposal. It is important to note for burden estimation purposes that while there are numerous retailer and mobile payment vendors the States may choose to partner with, there are only 4 EBT processors nationally. Therefore, EBT processors may partner with multiple pilot proposals submitted by the various State agencies; this has been considered in our estimation.

2. RFV Application Process

FNS will issue a RFV to solicit an estimate of 53 applications for an up to eighteen (18) month pilot. In order to participate in the Mobile Payment Pilot, interested States first need to submit a letter of intent as discussed in the RFV, followed by an RFV application. This response will include all documents required in the RFV, such as a detailed work plan (as outlined in Appendix AA), the Application Checklist (Appendix A), which ensures completeness, and the Assurances (Appendix B), which ensures State Applicant compliance with pilot requirements. In preparation for completing the RFV Application, State agencies are expected to coordinate with business partner stakeholders, including EBT processors, retailers, and other contractors. FNS estimates that up to 53 State SNAP agencies may apply through the RFV process, and that each State agency will require 20 hours to prepare and submit their RFV application electronically to FNS. In addition, FNS estimates that each of the 53 State agencies may require 80 hours of coordination and planning activities with each of their business partner organizations before submitting an application. The information collected through the RFV application process will help FNS determine each State agency's eligibility to participate in a MPP, evaluate their proposed pilots, and select candidates to participate in the pilot. FNS will verify that Applicant States/Territories with mobile payment capability meet requirements laid out in the RFV Application. Those that pass the verification process will be rated based on a structured evaluation process described in the RFV. Up to five (5) of the best rated Applicant States will be invited to participate in the pilot; as defined in RFV Section 3.2 Participant Selection. Ideally, selected State agency participants will represent a variety of different types of mobile payment

technologies. Following selection of State agency participants, the pilot period will last a total of eighteen (18) months, and Pilot Participants (State agencies and associated business partner organizations) will join on a rolling basis with the condition that they must each participate for a minimum of nine (9) months.

3. Mobile Payment Pilot Implementation

Per the requirement in Section 4006(e) of the Agricultural Act of 2018 (P.L. 115-334) FNS will limit the number of MPPs selected to 5, and each MPP will operate for a maximum of 12 months. FNS estimates that, based on the assumed model in this notice, each State agency may require 80 hours to conduct the following activities during each month of implementation of an MPP (as applicable). These activities include;

1. Design of mobile payment integration and changes to EBT systems and functionality to accommodate mobile payments,
2. Testing of EBT systems to ensure compatibility,
3. Provision of technical assistance and support to SNAP households that participate in an MPP, and/or
4. Coordination with EBT processors, SNAP retailers, and mobile payment contractors.

FNS estimates that, based on the assumed model in this notice, each of the 5 State agencies may issue 1 recruitment notice for the MPP to 5,000 individuals who are members of SNAP households in each State for a total of 25,000 individuals. These notices may be issued to SNAP households electronically or via mail, depending on the State. Generation and issuance of each notice by the State agency is expected to take approximately 3 minutes (0.05 hours). FNS also estimates that each of the 25,000 individual household members will require up to 3 minutes (0.05 hours) to read the recruitment notice for participation in the pilot. FNS estimates that approximately 5,000 of the recruited participants will opt to participate in the pilot (1,000 per State) and that each of the 5,000 participants will require 15 minutes to enroll in an MPP.

Potential enrollment activities for SNAP household respondents are based on the assumed model in this information collection may include calling or e-mailing the State agency to indicate interest, reviewing instructions, downloading an application (as known as app), technical assistance, and/or enrolling in the app.

Reporting Burden for State Agencies

Affected Public: State SNAP agencies.

Estimated Number of Respondents: 53 State agencies.

Estimated Number of Responses per Respondent: 478.23

Estimated Total Annual Responses: 25,346.

Estimated Time per Response: 1.05

Estimated Total Annual Burden on Respondents: 26,575 hours.

Reporting Burden for Businesses

Affected Public: Business (Respondent Types: EBT Stakeholders (EBT Processors, SNAP Retailers, Mobile Payment Vendors or Contractors).

Estimated Number of Respondents: 163

Estimated Number of Responses per Respondent: 2.63

Estimated Total Annual Responses: 429.40

Estimated Time per Response: 80 hours per response.

Estimated Total Annual Burden on Respondents: 34,352 hours.

Reporting Burden for Individual Households

Affected Public: SNAP Recipients.

Estimated Number of Respondents: 25,000

Estimated Number of Responses per Respondent: 1.2 responses.

Estimated Total Annual Responses: 30,000 responses

Estimated Time per Response: .08 hour

Estimated Total Annual Burden on Respondents: 2,500 hours.

Recordkeeping Burden for State Agencies

There is no recordkeeping or third-party reporting burden associated with this information collection.

Respondent Type	Activity	Estimated # of Respondents	Estimated number of responses annually per respondent	Estimated Total Annual Responses	Estimated Avg. # of Hours Per Response	Estimated Total Annual Hours
State SNAP Agencies	Request for Volunteers - Preparation and Submission of Application	53.00	1.00	53.00	20.00	1,060.00
	Request for Volunteers - Stakeholder Coordination	53.00	1.00	53.00	80.00	4,240.00
	Mobile Payment Pilot – Design & System Changes	5.00	12.00	60.00	80.00	4,800.00
	Mobile Payment Pilot – System Testing	5.00	12.00	60.00	80.00	4,800.00
	Mobile Payment Pilot – Issue Recruitment Notices	5.00	5,000.00	25,000.00	0.08	2,075.00
	Mobile Payment Pilot – Implementation & Support	5.00	12.00	60.00	80.00	4,800.00
	Mobile Payment Pilot – Stakeholder Coordination	5.00	12.00	60.00	80.00	4,800.00
State Agency Subtotal		53.00	478.23	25,346.00	1.05	26,575.00
EBT Processors	Request for Volunteers - Coordination	4.00	10.60	42.40	80.00	3,392.00
	Mobile Payment Pilot - Coordination	4.00	12.00	48.00	80.00	3,840.00
SNAP Retailers	Request for Volunteers - Coordination	106.00	1.00	106.00	80.00	8,480.00
	Mobile Payment Pilot - Coordination	10.00	12.00	120.00	80.00	9,600.00
Mobile Payment Vendor	Request for Volunteers - Coordination	53.00	1.00	53.00	80.00	4,240.00
	Mobile Payment Pilot - Coordination	5.00	12.00	60.00	80.00	4,800.00
Business Subtotal		164.00	2.76	452.00	80.00	36,160.00

SNAP Recipients	Mobile Payment Pilot – Review Recruitment Notice	25,000.00	1.00	25,000.00	0.05	1,250.00
	Mobile Payment Pilot – Complete Enrollment	5,000.00	1.00	5,000.00	0.25	1,250.00
Individual/Household Subtotal		25,000.00	1.20	30,000.00	0.08	2,500.00
Totals		25,216.00	2.21	55,775.40	1.14	63,427.00

Cynthia Long,

Administrator,

Food and Nutrition Service.

[FR Doc. 2021-22552 Filed: 10/15/2021 8:45 am; Publication Date: 10/18/2021]